

Kentucky Higher Education
Assistance Authority
and
The Student Loan Peoplesm
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COUNSELOR CONNECTION

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What we do, and why it's important to Kentucky

Although higher education can be expensive, KHEAA and The Student Loan People help thousands of Kentuckians pursue a college education or technical training each year. We are committed to removing financial obstacles that prevent students from achieving their higher education goals.

We reinvest our revenue in Kentucky students. Unlike for-profit student loan providers, students are our primary shareholders. Today, we fund a variety of free student aid programs and services without the use of public money. Besides the economic benefit to the Commonwealth, we make a positive difference in the lives of countless Kentuckians every year.

We provide Kentuckians a wide range of financial aid programs and services with revenue generated from administration of the Federal Family Education Loan Program (FFELP). Participation by postsecondary institutions in our programs ensures maximum revenues are earned which can be reinvested in Kentucky students.

Several federal student aid proposals have recently been introduced that, if passed in their current form, will be detrimental to Kentucky students and their families. While these proposals may be well intended, they do not recognize the difference between for-profit and nonprofit lenders and the important role that nonprofit student loan providers play in the Federal Family Education Loan Program (FFELP).

Federal proposals such as the College Student Relief Act (H.R. 5), the President's FY2008 Budget Proposal, the Student Debt Relief Act (S. 359) and the Student Aid Reward (STAR) Act **would cost Kentucky more than \$100 million** over the next five years!

What does this mean to Kentucky counselors? Potential loss of student aid programs and services, including funding for Kentucky's state student aid awards; loss of borrower benefits, including Best in Class benefits for Kentucky teachers, counselors and librarians; loss of comprehensive outreach services, including *Getting In* and other publications, nine regional outreach counselors, GoHigherKY.org website, the College Info Road Show, counselor newsletters and our ability to sponsor professional development conferences and activities for educational professionals. The millions of dollars in benefits and services we provide cannot be made up elsewhere.

We ask that you consider what would be lost to Kentucky students and their families if the federal proposals pass in their current form and urge you to contact your representative to ask that special recognition (i.e., a "carve out") be given to nonprofit student loan providers in the pending proposals.

For more information on these proposals and their impact on services we provide, contact Jo Carole Ellis, Director of Government Relations, at (502) 696-7442 or e-mail jcellis@kheaa.com.

KHEAA/STUDENT LOAN PEOPLESM REVENUE – WHERE IT COMES FROM

Student Loan **Guarantees**Student Loan **Servicing**Student Loan **Ownership**

WHERE IT GOES – KENTUCKY STUDENTS AND FAMILIES

COST-FREE ADMINISTRATION OF STATE STUDENT AID PROGRAMS

Kentucky Educational Excellence Scholarship (KEES)
College Access Program (CAP) Grant
Kentucky Tuition Grant (KTG)
Teacher Scholarship
Osteopathic Medicine Scholarship
Kentucky National Guard Tuition Award
Early Childhood Development Scholarship
Robert C. Byrd Honors Scholarship
Mary Jo Young Scholarship
KHEAA Work-Study Program
Kentucky's Affordable Prepaid Tuition (KAPT)
Kentucky Education Savings Plan Trust (KESPT)

ADDITIONAL FUNDS FOR STATE STUDENT AID AWARDS

Kentucky National Guard Tuition Award
KHEAA Work-Study Program
Mary Jo Young Scholarship

COST-FREE ADMINISTRATION OF FEDERAL STUDENT LOANS

Stafford, PLUS, and Consolidation
Zero-Fee Student Loans
Principal/Interest Rate Reductions for On-time/Automatic Payments
Borrower Advocates and Other Default Prevention Initiatives

LOAN FORGIVENESS PROGRAMS

Best in Class for Teachers
Best in Care for Nurses
Best in Law for Public Service Attorneys

MULTIFACETED OUTREACH SERVICES

Internet Tools and Websites
Nine Regional Outreach Counselors Assigned Around the State
College Info Road Show Mobile College Planning Classroom
College/Financial Aid Publications for Students of All Ages
Promote Your School Scholarship Essay Contest
Counselor Newsletters
Parent/Student Newsletters
Customer Care Call Center

All General Fund appropriations received by KHEAA go directly to students in the form of awards. Kentucky Lottery revenue funds the vast majority of state student aid awards disbursed by KHEAA. Federal LEAP/SLEAP Funds, Coal Severance Tax, Tobacco Settlement Funds, Federal Funds, Civil Penalties under KRS 199.990, and Student Loan People revenue transfers fund the remainder. Neither KHEAA nor The Student Loan People receives General Fund appropriations for administration.

Report details Outreach activities for FY2006

The *Outreach Annual Report FY2006* is now available. This report includes information about our nine regional outreach counselors, provides a breakdown of contacts made and materials distributed and highlights selected partnerships and activities.

Information about the College Info Road Show, which visits schools and other sites, and GoHigherKY.org is also featured.

If you would like to request a copy of the *Outreach Annual Report* or schedule a visit from the outreach staff, please contact Outreach Services Assistant Summer Gortney by calling 502.696.7377 or by e-mailing sgortney@kheaa.com.

LEAN ON US, FROM CLASS TO CAREER.



Kentucky's trusted source for grants, scholarships and loans.



KHEAA and The Student Loan People publish the *Counselor Connection* to share information about student financial aid, college preparation and college planning. Comments and suggestions are always welcome. Please send them to publications@kheaa.com.